

GENERAL ASSEMBLY OF THE STATE OF TENNESSEE FISCAL REVIEW COMMITTEE

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MEMORANDUM

TO:

The Honorable Dave Goetz, Commissioner

Department of Finance and Administration

FROM:

Bill Ketron, Chairman, Fiscal Review Committee

Charles Curtiss, Vice-Chairman, Fiscal Review Committee

DATE:

June 2, 2010

SUBJECT:

Contract Comments

(Fiscal Review Committee Meeting 6/2/10)

RFS# 318.66-051

Department: Finance & Administration/Bureau of TennCare

Contractor: UnitedHealthCare Plan of the River Valley, Inc.,

AmeriChoice - Middle Tennessee Region

Summary: The vendor is responsible for the provision of physical and behavioral health services to TennCare enrollees in the Middle Tennessee region. The proposed amendment adds language to comply with the Annual Coverage Assessment Act of 2010; creates new method for adjusting the long-term care component of the base capitation rate; and adds new liquidated damages.

Maximum liability: \$3,345,949,706

Maximum liability w/amendment: \$3,345,949,706

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Darin Gordon, Deputy Commissioner Mr. Robert Barlow, Director, Office of Contracts Review